FairPoint Cutover Monitoring Interim Status Report The Liberty Consulting Group January 29, 2009

Immediately before midnight (at 11:59:59 P.M.) on January 30, 2009, FairPoint Communications Inc. ("FairPoint") is scheduled to "cutover" from the Verizon Communications Inc. ("Verizon") systems to new operations support systems developed for FairPoint by Capgemini. FairPoint has been using the Verizon systems to support its operations since assuming ownership of the Verizon wireline business in northern New England on March 31, 2008. The Liberty Consulting Group has been monitoring FairPoint's cutover preparations and cutover readiness on behalf of the staffs of the Maine Public Utilities Commission, the New Hampshire Public Utilities Commission, and the Vermont Department of Public Service ("Staffs"). Liberty has released monthly status reports on FairPoint's progress since December 2007. The purpose of the present interim report is to provide a very brief update on cutover status just prior to its scheduled date.

The following points highlight status changes since Liberty's last monthly report on January 14, 2009:

- FairPoint has already completed the transition from Verizon's systems in a few cases where this can be accomplished independently of the main cutover on January 30. With a few exceptions, these transitions have been successful.
 - The Maine E911 migration from the Verizon systems to those of FairPoint and its contractor, Intrado, began on January 6, with the transfer of the Verizon data into the Intrado Automatic Location Identification (ALI) database. The migration continued with dual processing of ALI updates in the Verizon and Intrado systems and then the staggered cutover of the 26 Public Safety Answering Points (PSAPs) in Maine to the Intrado ALI database. This cutover was completed for the last remaining PSAPs on January 29. FairPoint and the Maine Emergency Services Communication Bureau have reported that the E911 migration appears to have been successful.
 - On January 23, FairPoint migrated the Line Identification Database (LIDB), Calling Name Database (CNAM), and other databases affecting local number porting (LNP) and toll free service call routing. Other transitions involving LNP occurred during the week of January 26. These migrations appear to have been largely successful. However, some Competitive Local Exchange Carriers (CLECs) reported call completion issues that apparently resulted from the LNP database migration; Liberty understands that FairPoint and the LNP database vendor, VeriSign, subsequently fixed this problem so that calls are now being completed properly.

- o On January 24, FairPoint migrated the operator services and directory assistance platform from the Verizon system to the FairPoint system, and this migration appears to have been successful.
- The testing of the Daily Usage Feed (DUF) files with the CLECs and other wholesale carriers is still continuing. However, there has been considerable progress since Liberty's January 14 report. As of January 27, FairPoint has received approval from the wholesale carriers for 89 percent of the DUF files and partial approval for 2 percent, and this represents approval from all but 8 of the total of 83 carriers. Only 26 files continued to have DUF issues as of that date.
- The embargo period for both wholesale and retail orders has begun. FairPoint has begun logging embargoed retail orders and will manually enter these orders in the new ordering and provisioning systems when these systems become available, which is scheduled to occur on the morning of February 9. The CLECs have already queued a large number of orders in the FairPoint wholesale interface that will be automatically loaded into the FairPoint ordering and provisioning systems when the systems are available. FairPoint has already noted that some of the CLEC orders contain errors. Unless these errors are fixed before February 9, a significant number of queued CLEC orders will be rejected by FairPoint's systems. A number of these errors have occurred because FairPoint failed to inform the CLECs until January 28 that a business rule used for formatting customer addresses is different from that used in Verizon's systems.
- FairPoint has successfully tested with a volunteer CLEC the automatic transmission of line loss reports.
- FairPoint has now completed almost all the scheduled employee training, as planned. FairPoint has added a few training sessions during the week of February 2, while the systems are down during the cutover period, to provide updated information to and the chance for refreshing the knowledge of customer service representatives.

Liberty concludes that FairPoint appears to be largely on track for the cutover. A few issues have arisen already, but this is not surprising in such a complex transition. Liberty believes that some of the issues affecting CLECs could have been avoided with better communication ahead of events that caused them. However, Liberty notes that FairPoint held a Wholesale User Forum on January 28 to review cutover status and plans, and has scheduled daily calls with the CLECs to review cutover status beginning on February 2, which should improve the communication.

The key events for cutover begin on January 30, when connection to the remaining Verizon systems will be cut off and the extraction, transmission, and conversion of the data in the Verizon systems begin. The data conversion is scheduled to continue until February 6, when the data should be loaded into most of the new FairPoint systems, and internal testing to assure the successful transmission of the data will begin. As noted, the principal FairPoint systems are scheduled to be available for processing both retail and wholesale transactions on the morning of February 9. Between January 30 and February 6, FairPoint plans to turn up those systems for which the data can be provided on a

shorter time schedule; this mainly includes systems used for managing and monitoring the network.

Liberty will continue to monitor the cutover during this critical period, and will alert the Staffs if any significant issues arise.